

EXHIBIT D

(Accountability)



Accountability in Higher Education Costs

Randy Samuelson, Chairman

In 2003, the State Legislature passed HB 3015, a bill that allowed the individual universities to set their own tuition rates instead of the State Legislature controlling those rates. This bill is known as “tuition deregulation,” but the bill did not actually deregulate the university system. Instead, the Legislature divested itself of the ability to control the tuition rates of the universities and allowed the administrators, regents, and chancellors of the respective universities to set their own rates. The result of this bill was the administrators at the largest universities, specifically UT and A&M, raising tuition rates by leaps and bounds without notice to students and parents who had already planned for a lower cost of higher education. The universities still receive a majority of their money from the State Legislature, but they now have the ability to raise tuition each semester without accountability.

Young Conservatives of Texas (YCT) fought this bill in 2003 and unsuccessfully pushed for a repeal of this law in 2005. The “tuition deregulation” plan has tremendously raised the cost of education for college students and has priced many students out of their first choice of universities. There are also fewer grants and financial aid given by Texas because the cost of the higher education has risen, on average, nearly 25% statewide over the last three years. Because the cost of education has risen and the percentage of state funds going to financial aid has remained the same, fewer students now receive financial aid. YCT believes the Legislature made a mistake in passing the tuition deregulation law in 2003 and we urge the Legislature to enact a plan to hold the universities accountable for the skyrocketing costs.

To hold the universities accountable, YCT proposes a three point plan.

- 1) Require the State Comptroller to audit the universities and also subject the individual universities to sunset reviews. Texas should begin treating the individual university systems like other State Agencies to ensure that the universities do not have wasteful spending.
- 2) Subject the Board of Regents at the university systems to elections instead of a Gubernatorial appointment. This vote should be a vote of affirmation or confirmation with the current students, parents, school employees, and registered alumni of each individual university having a vote. By holding elections, the Board of Regents will be held accountable for tuition increases and will be forced to give reasons for their spending policies.
- 3) Submit a stipulation in the higher education code that requires a dollar-for-dollar reduction in matching state money for every dollar earned by a tuition increase. Because the universities still receive a majority of their money from the State Legislature, their biennial appropriation should be reduced proportionally for every dollar that the universities raise through tuition hikes.

Young Conservatives of Texas

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